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SUBJECT: ISRAEL MEDIA REACTION

Please note:

- 1) There will be no Tel Aviv Media Reaction report on Monday, September 28, 2008, due to the Yom Kippur holiday.
- 2) Israel is moving back to Winter Time at 2 A.M. on Sunday, September 27. Until the introduction of Daylight Saving Time in the U.S. on November 1, Israel will be six hours ahead of EDT.

SUBJECTS COVERED IN THIS REPORT:

[11. Mideast](#)

[12. U.S.-Israel Relations](#)

Key stories in the media:

All media led with the speech delivered by PM Benjamin Netanyahu at the U.N. General Assembly (UNGA) yesterday. The PM blasted Iran's nuclear program and the welcome President Mahmoud Ahmadinejad received at the U.N. (QWhat a disgrace! What a mockery of the U.N. Charter!) Netanyahu also denounced the U.N.'s silence facing Hamas' eight-year-long rocket barrage, and the Goldstone report's accusation of Israel's having committed war crimes. The PM also extended Israel's hand in peace to the Palestinians, but emphasized that the future Palestinian state must be effectively demilitarized. The media reported that Israeli politicians lauded the PM's address, although -- like journalists among others -- Kadima Knesset Member and former Finance Minister Roni Bar-On told Israel Radio that Netanyahu did not have to prove the reality of the Holocaust. Israel Radio cited negative responses to the speech by the PA and Hamas. The latter said that Netanyahu lied and that there never were Jews in Palestine.

Israel Radio reported that the Quartet welcomed President Obama's remarks on the Middle East in his address to the UNGA.

HaQaretz quoted White House Chief of Staff Rahm Emanuel as saying yesterday in an interview with PBS that Israeli and Palestinian leaders must move quickly to take advantage of this "unique moment" for making peace, following their meeting with U.S. President Barack Obama earlier this week. Emanuel was quoted as saying: "He [Obama] challenged them publicly, which means they now have to go home and face the people that they represent about the opportunities of peace versus the risk of not taking action." He added that he believes both parties desire peace. According to Emanuel, whose father is Israeli, Obama told both parties: "First of all, I have a lot of other challenges. I don't have an inexhaustible amount of time, but I'm going to spend whatever time it takes to help. But not more than you're willing to take." "I will spend political capital, as [I did] in the heart of the Arab world, in Cairo," Emanuel quoted the president as saying. "Talk about the right of the state of Israel to exist in that region, as a secure country. And America will always have that friendship, and it runs deep." Obama "also said he is willing to challenge the Israeli government and friends when he thinks they're wrong, as he has shown on the settlement[s], in a public way as well as in private," Emanuel added. This, he said, ensures that both sides trust Obama "to be an honest broker; don't miss that opportunity in his story." Obama, Emanuel said, believes Israeli settlements "can be provocative to a peace process, in a negative sense." But even more importantly, he believes that both parties, Israeli and Palestinian, need to "put aside the negotiations about the negotiations and begin their negotiations," Emanuel told PBS. "And you can't start as if there hasn't been a process." "If you don't make progress and engage in the process of making peace," he continued, "you give Hamas and Hezbollah and Iran, who are enemies of the peace process, and vocal opponents of it, a veto." Referring to Netanyahu, Emanuel said Obama views the PM as a "practical person," adding that Netanyahu "has shown" this "in the past," at the Wye Plantation talks in 1998. "He'll take risks," Emanuel said of the prime minister. And "the risk[s] for peace, in the President's view, are less than the risks of not making peace." Asked about the U.S. administration's message to the Israelis - "if they decide they want to take military action at some point" against Iran - Emanuel said, "I wouldn't do it, even though I would like to do it." He also argued that Iran has lost much of its clout.

In an interview with HaQaretz, Israel's Ambassador to the U.S. Michael Oren downplayed the admonitions he reportedly received from the U.S. administration.

The far-Left group Gush Shalom affirms in paid ads in HaQaretz's Hebrew and English editions: QNetanyahu has won: no settlement freeze. Obama has swallowed the frog. How much shall we have to pay for that in the future?

Media speculated that Morocco or the Maldives were renewing diplomatic relations with Israel.

HaQaretz reported that the construction of a large new Jewish neighborhood in East Jerusalem is being planned. Government ministries are seen as sympathetic to the idea. The newspaper reported that Palestinian residents of Walaja, an Arab village within the boundaries of Jerusalem that abuts the area of the proposed neighborhood, have been offered concessions in exchange for their consent to the plan.

Fatah strongman Jibril Rajoub, whose standing was enhanced in his movement's recent elections, is quoted as saying in an interview with HaQaretz that he does not rule out the notion of armed struggle, and that he does not consider Hamas an enemy, but a political rival.

Yediot printed the story of a reporter who infiltrated the far-Right settler movement (the QWild EastQ) during three months.

HaQaretz (English Ed.) reported that the U.S. Internal Revenue Service (IRS) extended the deadline for Israel residents filing their Report of Foreign Bank and Financial Accounts, or FBAR. The IRS announced this week that instead of September 23, people intending to join the program could now do so through October 15. The newspaper noted that the extension roughly corresponds to the Jewish High Holiday period.

Mideast:

Block Quotes:

II. "An Elephant in the Room"

The conservative, independent Jerusalem Post editorialized (9/25): QRadical Palestinians interpreted Obama's advocacy [at the U.N] of a QJewish State of IsraelQ as negating the Palestinians' claim to a Qright of return.Q We agree. Relative moderates among the Palestinians were perturbed that Obama wanted negotiations to resume without preconditions. Mahmoud Abbas had been holding out for a total settlement freeze. Yet by speaking of QsettlementsQ in the generic sense, without reference to strategic settlements blocs, the President was inadvertently encouraging Abbas to dig in his heels. Unsurprisingly, Obama found it politic not to mention that Hamas controls Gaza and has designs on the West Bank. Palestinian disunity was the elephant in the room.... Given the inhospitable venue, we did not realistically expect Obama to take moderate Palestinians to task for their unwavering insistence on the Qright to settle Palestinians en masse in Israel proper; nor did we expect him to call on them to budge from their demand for a pullback to the 1967 boundaries. We also did not realistically expect the president to say that Palestinian demilitarization is the sine qua non of any resolution. But Obama must at least say these things privately to the Palestinians if the prospect of lasting peace Qbetween Israel, Palestine, and the Arab worldQ is to be fulfilled.

II. "Woe to the Victor"

The independent, left-leaning Ha'aretz editorialized (9/25): QPrime Minister Benjamin Netanyahu emerged pleased from the three-way summit in New York this week. In an interview with HaQaretz correspondent Natasha Mozgovaya, Netanyahu boasted of his diplomatic achievements: Q[Obama] said something we had been seeking for six months, that we have to meet and begin the diplomatic process without preconditions.Q Netanyahu was encouraged by the fact that the U.S. President gave in on the demand for a total freeze on settlements and by the agreement of Palestinian President Mahmoud Abbas to come to the summit despite the conditions he had set for renewal of talks with Israel not being met.... But Netanyahu's joy of victory is worrisome. The Prime Minister went to the summit and is returning today to Israel without having renewed negotiations with the Palestinians.... By presenting Obama as a weak president, who folded in the face of Israel's refusal to freeze settlements, and Abbas as refusing peace, Netanyahu is signaling to his political

base in Likud and the right-wing parties. However, he risks missing the opportunity presented by Obama's election for a renewal of the peace process and a solution to the Israel-Arab conflict. In presenting the expansion of the settlements as an achievement, Netanyahu is working against Israel's interests in ending the occupation and dividing the land. His momentary QvictoryQ might be the country's loss.

III. "The Best Show in Town"

Diplomatic correspondent Ben Caspit wrote on page one of the popular, pluralist Maariv (9/25): QTwenty-one years after completing his term as Israel's ambassador to the U.N., the Prime Minister returned to the scene of the crime, the General Assembly of the organization that in 1975 defined Zionism as racism and in 2009 accused Israel of committing war crimes in Gaza. Benjamin Netanyahu proved yesterday that he and the U.N. are, and have always been, a winning cast -- the best show in town.... It was an excellent speech. Well written, beautifully constructed, given in the proper tone. Slow, measured, firm. During the half hour of his address, Netanyahu represented almost all of us. The sane Israeli mainstream, from Meretz to the [far-Right] National Union, from Shelly Yacimovich [on the left wing of the Labor Party] to Benny Begin, stood behind him. It seemed to me that some of the Arab Knesset members would have signed off on parts of his speech, particularly the ones that mentioned Iran.... Netanyahu persuaded those who were already convinced, but made no impression on the hypocritical and the obtuse.... On the other hand, he spoke in our name. He expressed our frustration. He defended our pride and our honor. He said what we have been shouting to our television screens or our computers or the newspaper headlines, to all those who have been holding us to a standard that is not applied to anyone else.

IV. "At His Best"

Senior columnist Nahum Barnea wrote on page one of the mass-circulation, pluralist Yediot Aharonot (9/25): QGive Netanyahu a good platform, a convenient enemy and a charged issue to battle over, and he is at his best.... There probably are Israelis who did not like the recurring emphasis on the Holocaust motif. Netanyahu does not really think that the threat that Iran poses to Israel is identical to the threat that Hitler posed to the Jews in Europe. Israel was established so that such threats would not reach fruition. But in America, the Holocaust works. Criticism of the U.N. also works. The Americans loathe the U.N., and they know why.... Netanyahu has good reasons to sum up his visit to New York favorably. It is not out of the question that this was his best week since being reelected prime minister. The good news is that Netanyahu is pleased with himself. This may also be the bad news.

IV. QLeaving Them Cold

Diplomatic correspondent Aluf Benn wrote in HaQaretz (9/25): QObama has not succeeded in enlisting even one supporter in Israel's public arena or political establishment, who will stand up to Netanyahu and call upon him to accept the president's initiative and gallop toward a Qtwo-state solution.Q The Israelis don't think establishment of a state headed by Abbas will improve their situation in any way. The hard-core ideological left is fighting the IDF in the name of pacifism, and striving for a binational state in the name of equality and liberalism. The right is striving for a binational state in the name of the Greater Land of Israel, fulfillment of the Bible's promises and the security afforded by dominating the hilltops.... Nor are the Palestinians thrilled by Obama. A survey published this week by the International Peace Institute, headed by Terje Larsen, the former mediator from the time of the Oslo Accords, has found that 70 percent of Palestinians do not support the U.S. president, and 56 percent do not expect Obama to achieve progress in the establishment of an independent Palestinian state. And this in a public opinion poll in which most of the respondents expressed support for Abbas, not Hamas.... In order to lead, [Obama] must articulate a clear path that everyone in Israel and the territories can support.... He has given up on the Qconfidence-building measuresQ he had hoped to achieve ... and is now urging the sides to renew negotiations quickly, Qwithout prior conditions.Q Netanyahu interprets this as a victory: construction in the settlements will continue and Israel will go into talks without promising the Palestinians anything. There is no danger to the integrity of the

coalition and the unity of Likud. Obama, too, is minimizing his political risk by delegating the negotiations to his rival, Secretary of State Hillary Clinton. Here is an elegant way to attribute the expected failure to her and to damage her chances of a rematch against Obama.

VI. "Give Hope to the Palestinian"

Diplomatic correspondent Ben Caspit wrote in Maariv (9/25): QSome [officials] in Washington are considering adopting Salam FayyadOs plan [of Palestinian statehood within two years]. The Palestinian Prime Minister is happy with NetanyahuOs economic peace vision and Shimon PeresOs ideas.... [But] FayyadOs congeniality and pragmatism would turn into a tangible danger [for Israel; the [Israeli] Prime MinisterOs bureau would regret its dilly-dallying ... and perhaps the humiliating of the Palestinians and the premature celebrations and the arrogance that we saw this week in New York. On the other hand, we are in the Middle East -- so many things can happen.

VII. "ItQs Not Goldstone, ItQs We"

Legal commentator Boaz Okun, who was Director of IsraelOs Courts from 2004 to 2006, wrote in Yediot Aharonot (9/25): QWe need the [Goldstone CommissionOs] report because of what it tells about Israel and what we donQt want to hear.... It pointed at contradictions in Israeli claims that damaged their credibility.... The Commission found that it was impossible to point out any military gains that could have been obtained through [IDFOs] targeting civilians.... International humanitarian law requires an independent investigation to verify such actions. There was no need for an international commission to reach such a conclusion.

12. U.S.-Israel Relations:

Block Quotes:

QObama: I Am Not Naive

Senior columnist Nahum Barnea and diplomatic correspondent Shimon Shiffer wrote in the mass-circulation, pluralist Yediot Aharonot (9/25): QNetanyahu learned one important lesson from his relations with the [U.S.] administration in his previous term. He is careful to conduct his talks with the Obama administration in full transparency, without concealing his political difficulties and the disputed points. The key word is transparency. Almost every day, there is a dialogue between the two governments. QNot almost, every day,Q he is corrected by Israeli Ambassador to the U.S. Michael Oren. The Israelis are careful to emphasize that the White House gave Netanyahu in advance the main points of ObamaOs speech at the UN General Assembly. During Sharon and OlmertOs period, the Israelis not only received the draft, they also succeeded in revising it. Netanyahu and his aides have not yet reached this degree of intimacy.

CUNNINGHAM